

FISCAL NOTE

SB 1699 - HB 1825

March 17, 1997

SUMMARY OF BILL: This bill insures state compliance with the Federal Health Insurance Portability and Accountability Act of 1996. Applies requirements to both group and individual health insurance plans regarding eligibility standards for persons who were previously part of a group insurance plan and have lost coverage. Disallows discrimination by group insurers based on the health of an individual or a family member and makes group plans guaranteed renewable. Sets requirements for issuing individual policies to former members of a group plan. Requires large group health plans that offer mental health benefits have the same annual and lifetime limits for those benefits as for medical and surgical benefits unless this provision increases costs of the plan by 1%.

ESTIMATED FISCAL IMPACT:

MINIMAL

Assumes some impact on governmental health plans and TennCare, however such impact would have occurred in the absence of the bill since Federal regulations would go into effect in the absence of conforming state legislation.

Assumes passage of the bill is necessary to avoid pre-emption of state regulation of health insurance.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James A. Davenport, Executive Director